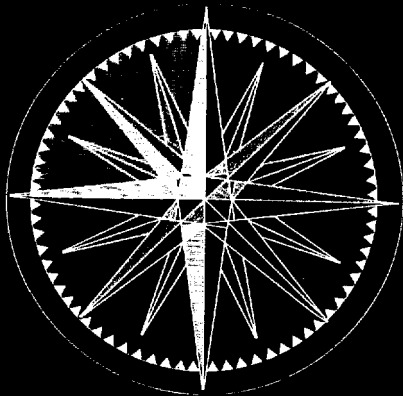


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8 April 1966

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# WEEKLY SUMMARY

## CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE

State Dept. review completed



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GROUP 1 Excluded from automatic  
downgrading and declassification

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## C O N T E N T S

(Information as of noon EST, 7 April 1966)

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Political unrest mounted this week in South Vietnam as Premier Ky tried both concessions and military pressure in an effort to end demonstrations against his government. The unrest did not prevent the mounting of a record number of allied military actions, although South Vietnamese units have been deployed to security and riot control duty. Viet Cong military initiatives remained at a low ebb, but reports continue to reflect a high level of infiltration and a massing of enemy troops in the northern provinces of I and II Corps.	
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A fishing boat seizure has been settled by diplomatic action made possible by the normalization of relations between the two countries late last year.	

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**SECRET****INDONESIA ADOPTING MORE MODERATE POLICIES**

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The USSR's success in placing Luna 10 in orbit around the moon on 4 April is a significant milestone in its lunar program.

**SPEECHES AT THE SOVIET PARTY CONGRESS**

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Premier Kosygin's report was largely a recapitulation of the 1966-70 economic plan announced last month. Defense Minister Malinovsky's keynote speech on military affairs was more moderate than his speech to the preceding party congress in 1961.

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**POLAND LIMITS FOREIGN ATTENDANCE AT CATHOLIC MILLENNIUM**

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The Polish regime, unable to win any Vatican concessions, has barred Pope Paul and probably most other foreigners from attending the millennium celebrations next month.

**CZECHOSLOVAKIA STEPS UP ARMS SALES PROGRAM**

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Motivated more by the desire for economic gain than by political considerations, the Czechs are expanding their arms sales to non-Communist underdeveloped countries.

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**NATO ESTABLISHES MACHINERY FOR DEALING WITH FRENCH PROBLEMS** 15  
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**TENSIONS REMAIN HIGH BETWEEN INDIA AND PAKISTAN** 20  
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**GUINEA REGIME UNDER MOUNTING PRESSURE** 23  
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**EAST AND CENTRAL AFRICAN LEADERS CONFER** 24  
 They made progress in diminishing tensions among their countries, especially regarding interference in each other's domestic affairs.

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Western Hemisphere

- BOSCH DOMINATES DOMINICAN POLITICAL DEVELOPMENTS 25  
Bosch's electoral intentions should be made clearer at his party's nominating convention to be held this weekend. His rival, Joaquin Balaguer, is concentrating on rural areas, where his party is strongest.
- ECUADOR UNDER PROVISIONAL PRESIDENT YEROVI 26  
Yerovi, after a week in office, has proved to be a weak executive whose "inexperience and irresolution," the Country Team believes, are blunting the government's capacity to assure internal security.
- BOLIVIA'S BARRIENTOS FIRING UP PRESIDENTIAL BID 27  
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- ARGENTINE GOVERNMENT WITHSTANDING COUP RUMORS AND STRIKES 28  
The government has taken firm steps to end the strikes, and military leaders have issued a strong statement denying any intention of ousting President Illia.

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**SECRET**Far East

## VIETNAM

The political situation in South Vietnam remained highly volatile this week as Premier Ky tried both concessions and military pressure in an effort to end the demonstrations in the northern provinces and in Saigon against his military government.

Following a meeting of the Armed Forces Congress on 3 April, members of the ruling Directorate announced that a national political congress would be convened "to set up an assembly." Although this step appeared to hold out the possibility of further concessions to Buddhist demands for faster transition to civilian rule, Buddhist leaders now have declared that the political congress is a step backward, and boycotted its preliminary sessions on 6 April.

The communiqué on the Armed Forces Congress meeting also announced that strong measures would be used to restore peace and order. Ky spelled out for the press that this foreshadowed action against Da Nang, which he characterized as "in Communist hands." The government moved three battalions of Vietnamese Marines to Da Nang Air Base on 4 April, but it has so far postponed an attempt to "retake" the city from defiant, pro-Buddhist elements for fear of armed clashes with local army units.

Ky apparently remains determined, however, to discipline officials in Da Nang who have cooperated with the antigovernment movement. He has arranged to send ten Vietnamese tanks there to strengthen

his military position and is keeping his marine battalions in readiness. Ky's choice of Da Nang for a show of strength probably reflects a belief that the elements in the "struggle movement" there are sufficiently divided to permit the government to bring the situation under control. Demonstrations are continuing, however, in major towns in I and II Corps and in Saigon.

Numerous reports indicate considerable Viet Cong penetration of the "struggle movement" in Da Nang and other cities, but there is no proof that any of the local officials or the Buddhist leaders who are providing the backbone of the current protest campaign are themselves Communists.

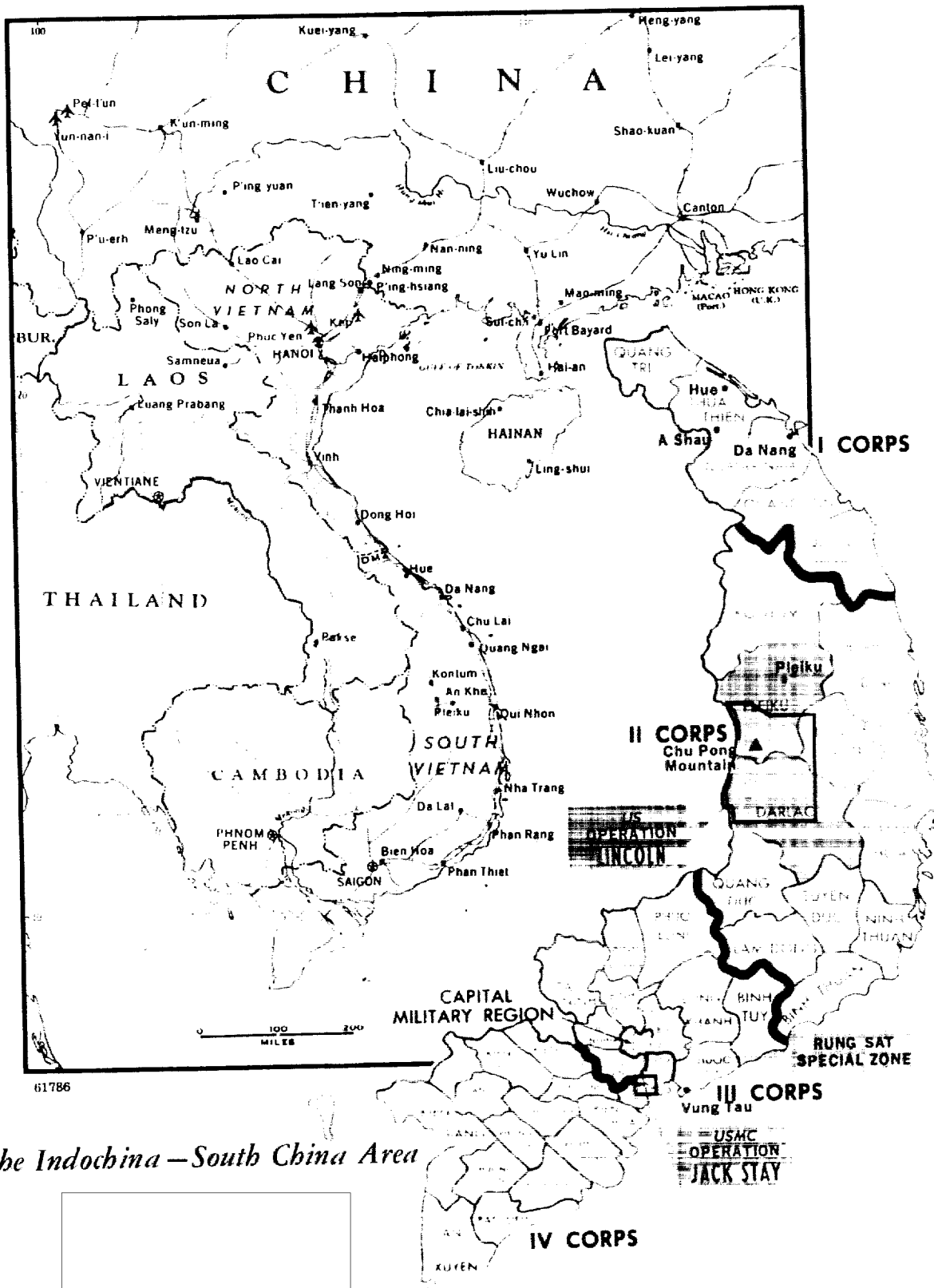
Vietnamese Communist propaganda has been increasing its efforts to turn the political unrest into a movement directed chiefly against American presence in South Vietnam. Both Hanoi and the Liberation Front have attempted to portray the struggle groups as part of a broad political movement sharing identical aims with the Front. Moreover, by calling for cooperation between these elements and the Front, the Communists may be holding out the possibility of further cooperation with these groups in an eventual coalition government under Viet Cong control.

The Military Situation

The political unrest has not as yet affected the unilateral operations of either US or other free world troops, but it has tended to

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*The Indochina - South China Area*

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interfere with coordinated US/Vietnamese Army (ARVN) operations as ARVN units have responded to the demands of security and riot control. Allied forces, mounting a record number of unit actions, scored impressive results in several widely scattered operations, inflicting heavy losses on the Viet Cong while suffering only relatively light casualties themselves.

The heaviest fighting occurred in southern Pleiku and northern Darlac provinces, where five battalions of the US 1st Cavalry and two battalions of the 25th Infantry Division concluded their second week of Operation LINCOLN and continued to face resistance from Viet Cong forces in regimental strength. Toward the end of the week the fighting centered around Chu Pong Mountain some 40 miles southwest of Pleiku city on the Cambodian border, scene of a major battle with North Vietnamese troops last November. Communist losses to date in the operation stand at 373 killed as against US casualties of 33 killed, 83 wounded, and five missing.

US Marines, supported by B-52 air strikes, are continuing amphibious Operation JACK STAY in the Rung Sat Special Zone 28 miles southeast of Saigon. Thus far no major resistance has been encountered from the VC forces which inhabit the area and harass river shipping from Vung Tau to Saigon. However, discovery

of a large hospital, a mine factory, classrooms, and other installations suggests that the Viet Cong had a major headquarters in the area.

Although Viet Cong activity remained at a low ebb this week in terms of its intensity, evidence has continued to accumulate that the Communists are massing forces in the northern provinces of South Vietnam in apparent preparation for major offensive actions. This evidence includes a considerable number of low-level reports of substantial additional infiltration of North Vietnamese Army (PAVN) units in recent weeks which, if borne out, would strongly suggest a significant threat to friendly forces and bases in the area.

The confirmation of another PAVN unit in South Vietnam--the 95th "B" Regiment--brings known North Vietnamese troop strength in South Vietnam to 18,630, organized in ten regiments and four separate battalions. The new unit, which has a strength of 2,000 and consists of three battalions, is the tenth PAVN regiment confirmed in the South. It participated in the attack on the A Shau Special Forces camp in early March.

Vietnamese Pilots May  
Be Training in China

Recent photography has revealed that a substantial

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25X1 number of fighter, trainer, and transport aircraft have been emplaced for the first time at Yunnani/Peitun, a modern airfield complex located west of Kunming in southwest China. The photography [ ] showed 70 MIG-15 Fagot or MIG-17 Fresco jet fighters, 14 light transports, and 13 piston-engine trainer aircraft at the fields. In addition, two IL-28 jet light bombers were noted in the photography.

These aircraft may be involved in training North Viet-

namese pilots and other air force personnel. Yunnani/Peitun is in a relatively remote area which would provide a measure of safety for training not presently available in North Vietnam. Its use would also relieve congestion at the two operational fighter bases in North Vietnam --Phuc Yen and Kep. [ ]

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#### NEW RAILROAD IMPROVES CHINESE ACCESS TO SOUTHEAST ASIA

The Kunming-Kueiyang railroad was apparently completed in March, ending Chinese dependence on narrow-gauge railroads through North Vietnam for rail access to strategic Yunnan Province and making available an alternate rail line for Communist support of the Vietnam war.

[ ]  
[ ] Trains have been scheduled over more than half of the line since November 1965, and work was presumably well advanced by that time on the remaining section from Lu-chih to Hsuanwei.

The Kunming-Kueiyang railroad--together with the Kueiyang-Chungking railroad completed in late 1965--provides the first direct rail connection between Yunnan and the rest of China. For contingency planning, the military now can count on shifting large numbers of troops by rail to the western part of the Vietnam border area. In addition, rail communications with Yunnan no longer need be affected by the status of the Vietnamese lines from Hanoi to Lao Cai and Dong Dang, which are exposed to US attacks. Before US attacks began, about half the traffic on these two railroads consisted of freight between Yunnan and the rest of China. It is believed that

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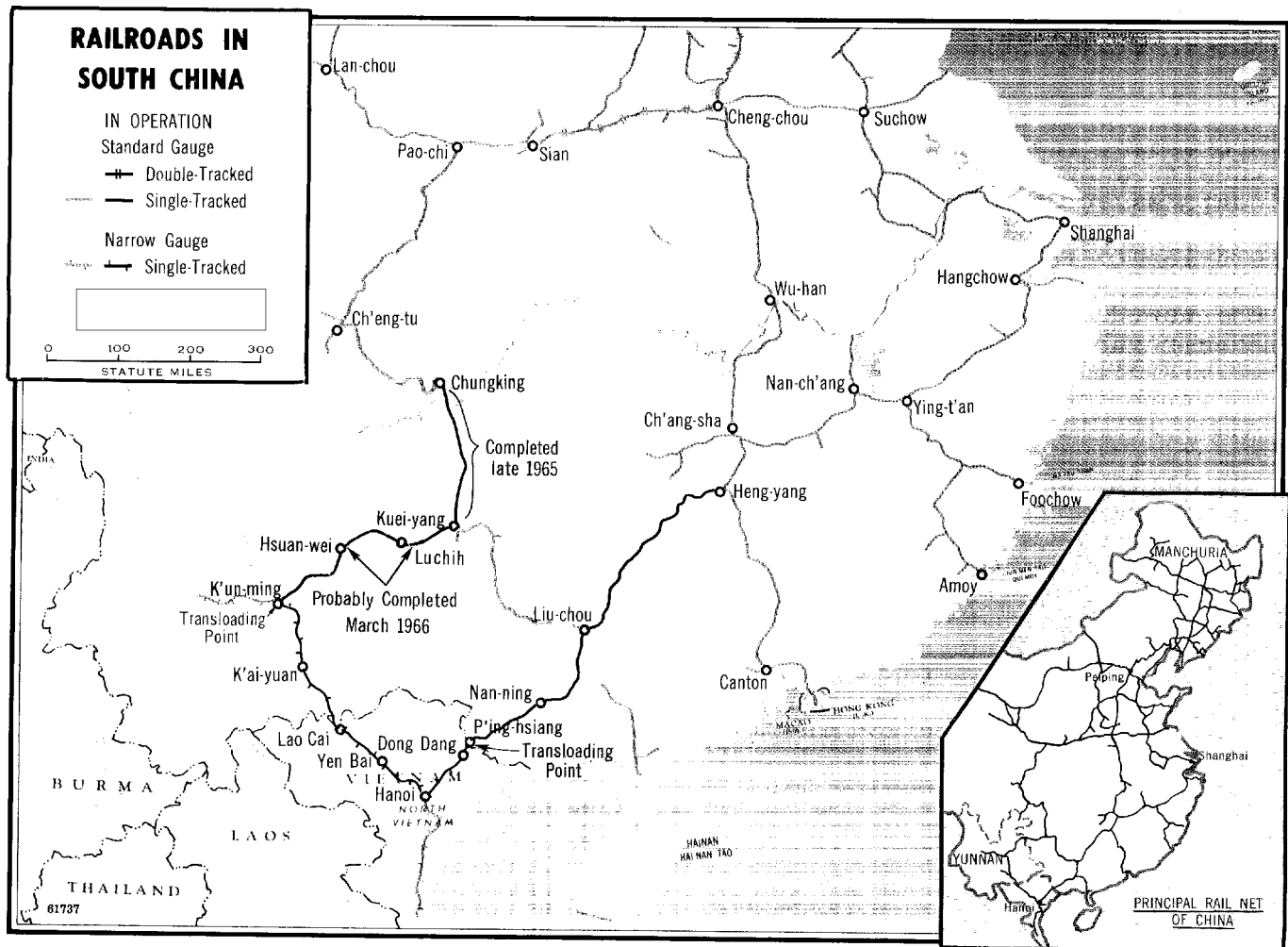
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during 1965, when the Hanoi - Lao Cai line was repeatedly cut, freight was sent to Yunnan over the uncompleted Kunming-Kueiyang line, using trucks to cross the gap.

The Kunming-Kueiyang and Chungking-Kueiyang railroads have been constructed quickly through very mountainous terrain and will require a long period for improvements to achieve their full designed capacities

and speeds. As of November 1965, passenger trains on the Chungking line were running at only 13 miles an hour, probably because the roadbed was still in poor shape.

Despite the availability of a second rail supply line to North Vietnam, most aid sent by land from China, the Soviet Union, and Eastern European countries will probably continue to be routed over the Hengyang-Pinghsiang railroad, which is more direct, goes through easy

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terrain, and is therefore more economical. However, some goods for parts of southwest China which had been dependent on the Hengyang line now can be diverted to the new route to Kunming.

Rail freight for North Vietnam must still be transloaded at Ping-

siang, where Chinese standard-gauge and Vietnamese narrow-gauge lines meet, or at Kunming, from which a narrow-gauge railroad runs to North Vietnam through Lao Cai.

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### MAO TSE-TUNG STILL OUT OF SIGHT

Peking's sensitivity to foreign speculation that Mao Tse-tung is seriously ill--his activities have now gone unreported for 19 weeks--provides additional support for the view that the Chinese leader is incapacitated.

On 26 March, a government spokesman, responding to a question submitted by a Reuters correspondent, asserted that "Chairman Mao is in very good health," and called stories to the contrary "vicious fabrications." On 29 March, a Chinese Communist newspaper in Hong Kong republished a fuzzy photograph of a smiling, healthy Mao from the 25 March issue of the chief party daily in Canton. There was no indication when or where the picture was taken, and this unusual circumstance raises rather than settles questions about Mao's health.

Mao almost certainly remains mentally competent, regardless of his physical condition. If he were not, it is unlikely that his deputy, Liu Shao-chi would have gone abroad for a series of visits to South Asian countries scheduled to last until mid-April.

Several of the most publicly active members of the top leadership have been absent from the capital for unusually long stretches during the past four months, and may have been manning a second top command headquarters to keep Mao informed and to implement his decisions. If so, this, too, would indicate that Mao is mentally alert.

Lo Jui-ching, army chief of staff, and Yang Shang-kun, who has served as Mao's personal link with the party secretariat, went out of sight simultaneously with Mao. Liu Shao-chi and Foreign Minister Chen Yi were both out of the news for two-month spans last winter, and Teng Hsiao-ping, party general secretary, has not been seen since 9 March. Teng was conspicuously absent from three major gatherings for the visiting Japanese Communist Party delegation, at which he would have been the appropriate host.

Mao has been out of Peking since mid-October and is probably in East or Central China, where he has often gone for winter rest cures in past years. It is quite possible that he would choose to spend his last days in Hunan Province, which is his boyhood home.

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## FISHING INCIDENT TESTS KOREAN-JAPANESE RELATIONS

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South Korea's recent seizure of a Japanese fishing boat was the first dispute in this long-standing area of friction to be handled in diplomatic channels since Seoul and Tokyo normalized relations late last year.

The boat was seized on 14 March in waters that by bilateral agreement are open to the fishermen of both countries. The Koreans, however, maintain they pursued the boat from an area reserved exclusively for Korean fishermen.

In the past the Koreans often handled such cases arbitrarily, confiscating the catch and boat and frequently imprisoning the crew. In this case, however, after holding the boat about two weeks, the Koreans released it, apparently because their case was so weak. Their patrol boat lacked electronic navigational equipment, whereas the Japanese fishermen, who denied having been inside restricted waters, pointed out that their boat had both loran and radar.

Seoul announced that, although it has released the Japanese fishermen and their boat, it will continue to seize foreign fishing vessels that violate exclusive Korean fishing waters. The Koreans say they intend to apply the doctrine of hot pursuit, which is open to dispute in international law. Japan opposes treating exclusive fishing areas as territorial waters.

In any event, the incident may bring home to Seoul the necessity for greater caution in dealing with suspected Japanese fishing violations and could result in new guidelines for regulating fishing areas off South Korea.

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**SECRET****INDONESIA ADOPTING MORE MODERATE POLICIES**

A press conference this week in Djakarta provided further indications that power has passed from President Sukarno to Indonesia's new ruling group. The government's two principal civilian leaders outlined plans to redirect national policies along more moderate lines.

Foreign Minister Adam Malik made clear that Indonesia would follow a middle road in foreign policy and take steps toward re-admission to the United Nations. Although he paid lip service to continuing Sukarno's policy on Malaysia, Malik specifically stated that Indonesia would welcome efforts to end the three-year paramilitary campaign.

The Sultan of Jogjakarta, who directs economic affairs in the revised cabinet, emphasized that a program of economic stabilization must deal first with basic needs--an adequate rice supply, improved transport, and expanded exports. He welcomed "foreign aid without strings"

and said that Indonesia would have to negotiate a new repayment schedule for its massive international debt.

Other signs of the shift in power come from the controlled Djakarta press, which is increasingly directing criticism at Sukarno himself and demanding a "return to the constitution." Army chief Suharto stated on 4 April that under Indonesia's constitution the congress--not the president--holds supreme power.

In further anti-Chinese action, the Djakarta military commander on 5 April ordered the closure of all Chinese schools in the city. The order stated that after the 1 October coup attempt the schools had proven to be "sources of subversion" and that they "still bore a foreign character." This action followed a strong protest by Peking on 2 April over the recent looting of Chinese schools in Indonesia by anti-Communist demonstrators.

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## SOVIET LUNAR PROGRAM FORGES AHEAD

The USSR's success in placing Luna 10 in orbit around the moon on 4 April is a significant milestone in its lunar program. Data from this scientific probe should add to Soviet knowledge of the moon and be of some value to Soviet preparations for future lunar missions.

The Soviet lunar program has concentrated in the past on soft-landing a payload on the moon. After 11 unsuccessful lunar operations since early 1963, the Soviets finally accomplished a soft-landing with Luna 9 on 3 February 1966. This success led to the initiation of the lunar-orbit program. The next operation--Cosmos 111, which failed to eject from earth-parking

orbit on 1 March--was probably the first attempt to orbit the moon.

According to Soviet announcements, the inclination of Luna 10's orbit to the moon's equator is 25X1 about 72 degrees, which carries the spacecraft over most of the lunar surface.

public statements from Moscow have not yet mentioned photography as a part of Luna 10's mission.

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■ Soft landing attempt  
■ Lunar orbiting attempt

**SOVIET LUNAR PROGRAM**

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		OUTCOME OF EACH FLIGHT PHASE						
LAUNCH DATE	SOVIET DESIGNATION	Launch by ICBM	3rd Stage to Orbit	Stabilization in Parking Orbit	4th Stage Ejection	Spacecraft Midcourse Functions	Arrival Functions	Mission Operations
4 Jan 63					FAILURE			
3 Feb 63			FAILURE					
2 Apr 63	LUNA 4					FAILURE		
21 Mar 64			FAILURE					
20 Apr 64			FAILURE					
12 Mar 65	COSMOS 60				FAILURE			
10 Apr 65			FAILURE					
9 May 65	LUNA 5							FAILURE
8 Jun 65	LUNA 6					FAILURE		
4 Oct 65	LUNA 7							FAILURE
3 Dec 65	LUNA 8							FAILURE
31 Jan 66	LUNA 9							SUCCESS
1 Mar 66	COSMOS 111				FAILURE			
31 Mar 66	LUNA 10							SUCCESS

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**SECRET****SPEECHES AT THE SOVIET PARTY CONGRESS**

Premier Kosygin's 5 April report to the 23rd Soviet Party Congress was largely a recapitulation of the 1966-70 economic plan announced last month, judging from available summaries. He made several strong statements on the need to strengthen the USSR's military potential and defense industry, but he stressed that the future growth of the over-all economy would in itself achieve an improved defense posture.

His remark that Vietnam and the international situation "have forced the central committee and the government to increase expenditures on defense" came in an early section of his report explaining in part why the seven-year plan (1959-65) targets were not completely fulfilled. This statement apparently relates to the same time period as other recent assertions that military spending was unavoidably increased in recent years.

In addition to reviewing the major domestic goals for 1966-70, Kosygin stressed the importance of developing the USSR's foreign economic relations, particularly with respect to improving its foreign trade mechanism and to upgrading the range and quality of its exports. His remarks also underscored the importance the USSR places on increasing its earnings of foreign exchange.

**Military Leaders' Speeches**

The keynote speech on military affairs to the congress--delivered by Defense Minister Malinovsky on 1 April--was more moderate than his speech to the preceding congress in the fall of 1961. In what may have been an indirect warning aimed as much at Peking as at the "capitalist" powers, Malinovsky stated that the Soviet armed forces were for the "defense of the borders of our country" and to "ensure the security of our people and countries friendly toward us." In a more propagandistic, anti-US vein, General A. Yepishev, political chief of the Soviet armed forces, recalled for the congress that Soviet military personnel and entire units had declared their readiness to go to Vietnam.

With regard to the USSR's Strategic Rocket Forces, Malinovsky announced that "a large number of new mobile launching installations have been built." This was an apparent reference to the mobile Scamp and Scrooge missile systems unveiled for the first time in Moscow's May Day parade last year. There is no indication, however, that these systems are operational. If the Soviets do perfect and deploy a large number of these mobile missiles, the survival of their strategic attack forces will be considerably enhanced.

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25X1 Malinovsky made a brief reference to the construction of a "blue belt," possibly alluding to the deployment of a new defensive missile network (probably air defense) [redacted]

[redacted] The "blue belt" could also refer to something other than an air-defense missile system, for example, a more effective coordination of existing air defense weaponry through the introduction of high-speed communications and automation.

Malinovsky reported that a "group" of atomic submarines had several days earlier completed a "round-the-world" cruise. He also claimed a five-fold increase

"in recent times" in the total number of long-range cruises by Soviet nuclear-powered submarines.

Malinovsky's comments on the ground troops did not suggest any basic change in the organizational status of these forces as an integral component in the defense structure. He noted that conventional means of warfare had been expanded in proportion to the development of tactical nuclear delivery means for these forces. The defense minister stated that airborne assault troops had been "considerably strengthened," and noted that these forces were in 25X1 a position to perform "great strategic missions" in modern war. [redacted]

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## POLAND LIMITS FOREIGN ATTENDANCE AT CATHOLIC MILLENNIUM

Warsaw's decision to bar Pope Paul and probably most foreign prelates and tourists from the 3 May celebrations of the millennium of Christianity in Poland is unlikely to cause serious unrest, in view of Cardinal Wyszynski's so far moderate response. The move to limit international participation probably stemmed from the regime's failure to obtain concessions from the Vatican, as well as from a desire to underscore its ultimate control over church actions in the foreign policy area.

These developments were foreshadowed by an early March letter from Premier Cyrankiewicz to the Polish episcopate and by subsequent regime statements that Wyszynski's failure to seek official permission before inviting foreign prelates would result in the "dashing of his hopes." The regime's decision on 17 March to call an apparent truce in church-state polemics was evidently designed to reduce the domestic impact of its intended scuttling of the papal visit and other moves to limit the scope of the religious celebrations.

Both the Pope and Wyszynski have been pressing the Polish regime to allow a papal visit, believing that it would enhance popular identification of church and nation and point up the country's religious and cultural ties with the West.

both the Vatican and Warsaw were hoping that the other party would make concessions to pave the way. The re-

gime's most sought-after goal appears to have been the appointment of a Polish cardinal to the "Recovered Territories." This would have implied Vatican recognition of Poland's western frontier, and somewhat diluted Wyszynski's dominance in the Polish hierarchy.

Vatican Radio's sharply worded charges on 3 April that Warsaw "feared" a papal visit and that Soviet pressure is the major reason for the Polish antichurch campaign reflect the failure of both sides to come to terms and may result in an increase in anti-Vatican propaganda by the Polish regime.

Recent reports that Yugoslav, German, and Austrian prelates would also be barred from the millennium observance at Czestochowa suggests that most, if not all, churchmen from 56 countries who had been invited by Wyszynski will be excluded. A Polish Embassy official in Washington said on 1 April that visas would not be granted to US bishops and that Wyszynski probably would not come to the US this fall.

The regime's reported plan to restrict sharply the number of tourists during early May is another indication that Warsaw is seeking to ensure that the church celebration will not overshadow the July observance of the millennium of the Polish state. There are indications that restrictions on tourist travel will be largely rescinded by that time.

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## CZECHOSLOVAKIA STEPS UP ARMS SALES PROGRAM

Motivated more by the desire for economic gain than by political considerations, the Czechs are expanding their arms sales to non-Communist underdeveloped countries.

Major military equipment programs are handled by the Czech Chief Technical Directorate (Techsprava), which participated in the initial Soviet military aid pacts with non-Communist countries in the mid-1950s, then acting principally as Moscow's agent. Techsprava also handles negotiations for and construction of military facilities such as ordnance factories in Egypt, Ghana, and Cambodia.

Commercial arms sales are managed by the Techsprava subsidiary trade corporation, Omnipol, which has long sold small quantities of light aircraft and light arms--which it labels "sporting equipment"--to underdeveloped countries. It apparently has made the initial contact with prospective Techsprava customers in many cases. Omnipol representatives currently are active throughout Asia and Africa and are in contact with some Latin American countries.

Prague apparently is anxious to increase arms sales to underdeveloped countries because of Czechoslovakia's growing ability to produce military hardware, its stockpile of obsolescent equipment, and its role as the only supplier of the bloc's chief jet trainer aircraft. During

1963 and 1964, in deals that may have alerted Prague to the possibility of expanding profitable arms sales, it sold some \$20 million worth of jet trainers to Syria and Indonesia.

Under the largest military aid pact it has concluded in recent years, Czechoslovakia currently is supplying India with \$45 million worth of equipment. Over 250 T-54 medium tanks, some field artillery, ammunition, aircraft spare parts, and radar equipment are now arriving in Bombay. New Delhi's military equipment requirements are expected to engender additional purchases from Prague this year.

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## NATO ESTABLISHES MACHINERY FOR DEALING WITH FRENCH PROBLEMS

At the 4 April meeting of the North Atlantic Council--France did not participate--it was agreed to establish five working groups with "open-ended" membership to deal with the main France/NATO problem areas identified at the 29 March meeting of France's 14 NATO partners. The five groups and their "leaders" are: (a) military consequences of the French actions--the US; (b) reorganization and streamlining of NATO--the UK; (c) infrastructure problems and the air defense ground environment (NADGE)--Canada and the Netherlands; (d) relocation of NATO commands--a consortium of Italian and Benelux delegates; and (e) financial implications--West Germany. The Netherlands and Canadian representatives accepted the arrangements ad referendum pending approval of their governments.

With regard to the critical problem of the future status of French troops in Germany, it was agreed that the development of a policy should be entrusted to the US, UK, and Germany. The Dutch, Belgians, Italians, and others had reservations over this approach. However, the three-power consultative arrangement was approved when it was made clear that all of the allies would be kept informed and consulted before any major actions were taken.

While the alliance now appears to be organized to deal systematically with the crisis, it is still far from clear that a common approach has emerged. Belgian Foreign Minister Harmel has expressed the reservations

of the 11 smaller NATO countries to Ambassador Knight. He remarked that the French attempt to disassociate the less solid members among the 11 would undoubtedly be made easier if the 11 felt they were being ignored by the Big Three. Harmel believes that the US should not appear to take the lead in any field. Future alliance action must take into account two main concerns of the smaller countries--Germany's power in the alliance must not be enhanced as France withdraws, and the Gaullist argument that NATO is merely an appendage of American foreign policy must not be reinforced by any US action.

In France, a major foreign policy debate centering on De Gaulle's NATO moves will begin on 13 April in the National Assembly. The Socialist Party and the Catholic-oriented Popular Republican Movement are expected to present a censure motion against the government, although the sponsors acknowledge that the motion has almost no chance of garnering the necessary 242 votes. The government can count on the solid backing of the Gaullist Union for the New Republic (UNR) and probably the Gaullist-allied Independent Republican Party. The French Communist Party has publicly announced that it will not vote for censure. UNR leaders are optimistic that if the censure motion wins only limited support, it will be interpreted as a "vote of confidence" for the government.

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**SECRET****MOSCOW'S ATTITUDE TOWARD FRANCE AND NATO**

Moscow is viewing with cautious approval De Gaulle's moves to withdraw from NATO military commands and to renegotiate bilateral accords on US military facilities in France. The Soviets are aware that the French initiative has set off a process of maneuver and discussion within the Western Alliance which can have a variety of outcomes, not all of which would be favorable to Moscow. The Soviet course of action over the longer run will depend heavily on the emerging reactions of Washington and Bonn and the consequent evolution of Western security arrangements and negotiating positions.

The Soviet response thus far has included continuing efforts to court France and to foster the belief that Franco-Soviet rapport can enhance the prospect of new security arrangements for all Europe. The Soviets probably will present an image of reasonableness toward those governments showing similar signs of "independence." Typical of the line the USSR can be expected to follow was Soviet Ambassador Zorin's recent public remark in Paris that "should NATO be liquidated there would no longer be any need for the Warsaw Pact, which would disappear." Moscow can also be expected to continue to avoid provocative statements or actions in sensitive areas such as Ber-

lin, and to mark time on existing negotiating positions.

Despite the uncertainty of the long-term benefits to be derived from De Gaulle's initiative, the Russians probably are pleased with its immediate effect of highlighting disagreements within the Western Alliance. At the same time, the Soviets are under no illusion that essential problems of European security--the German question in particular--can be settled with France alone. Moscow's interests and objectives obviously are much broader than the establishment of a bilateral relationship with France.

Soviet preoccupation with the German problem has been a basic reason for Moscow's wish to see NATO disrupted. The very primacy of the German question to Soviet strategic interests in Europe, however, also argues against any deal between Moscow and De Gaulle that might promote a further build-up of West Germany to fill a gap left by France. It is therefore likely that the Soviets do not overestimate De Gaulle's value, and that any entente they form with him would not seriously prejudice the position of most Western European countries on major East-West issues.

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## INCUMBENT PARTY WINS MALTESE ELECTION

Malta's Prime Minister Borg Olivier and his Nationalist Party have been returned to power with a comfortable majority, winning 28 of the 50 parliamentary seats in the first general elections since Malta received independence in 1964. His party and the opposition Malta Labor Party (MLP) won all the seats in the Maltese parliament, eliminating the three small center parties. The opposition MLP made proportionately greater gains than anticipated both in percentage of total vote and the number of seats in parliament. The MLP can justify, to some extent, its claim that the Catholic Church's last-minute intervention in the campaign was a decisive factor in its defeat.

The Nationalist government is immediately confronted with two tasks--the need to avert economic upheaval following Britain's reduction of its base in Malta, and to build a viable economy for the overpopulated island. The US Embassy, nevertheless, anticipates a period of relative political stability and believes that the election results and the over-all quality of the new parliament herald responsible government for the foreseeable future, assure Borg Olivier of a stable working majority for the next five years, and should permit continuation of the NATO headquarters on Malta.

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**SECRET**Middle East - Africa**GREEK POLITICAL STALEMATE CONTINUES**

The ouster of Premier George Papandreou last July and the ensuing prolonged deadlock have produced Greece's most serious political crisis since the end of the guerrilla war in 1949.

Premier Stephanopoulos' weak government has so far managed to ward off the pressures for new elections, but it survives only because his supporters fear a return to power by the popular Papandreou. This uneasy alliance of conservative and disaffected center factions has had little energy for anything beyond survival. Its main goal has been to enact an electoral bill, which the leaders of all parties support, and then adjourn until next fall. Stephanopoulos hopes that a tax bill designed to restore a revenue loss caused by the political crisis can be approved in principle and then referred to a parliamentary recess committee for final approval.

Much of the talk of dictatorship that was present early in the crisis has now abated. However, Stephanopoulos' inability to govern effectively, the stories of corruption in his government, and the conviction of many that there is a moral decline in public life have fostered a growing tendency among conservative groups to favor a palace-imposed authoritarian solution. Such a move

would further reduce the monarchy's popular prestige.

Papandreou's continuing high standing with the electorate is a cardinal feature of the political maneuvering. His Center Union parliamentary followers, despite their dissatisfaction with his leadership, are unwilling to abandon him and gamble their future on a ticket headed by any less popular figure.

The 78-year-old Papandreou may now be convinced, however, that he cannot overcome the conservative opposition to his return. There are signs he is grooming his son Andreas, who served in his government, for an eventual take-over of the Center Union. Andreas has been busy mending his political fences. He is even more controversial than his father, however. Conservative forces are convinced that he is allied with the Communists.

The main chance for an early break in the present stalemate would come if the elder Papandreou were permanently removed from the scene. Barring that, there seems little likelihood elections will come before October or November when parliament returns from its summer recess. The Greek tendency to arrange political compromises will probably keep the government together in the meantime. 25X1

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**SECRET****TENSIONS REMAIN HIGH BETWEEN INDIA AND PAKISTAN**

Efforts to ease tensions between India and Pakistan remain stalemated in the aftermath of last month's unproductive cabinet-level meetings in Rawalpindi. Each side is blaming the other for blocking progress toward implementation of the Ayub-Shastri agreements reached at Tashkent in January.

In his monthly radio address on 1 April Pakistan's President Ayub criticized Indian leaders for their repeated public declarations that Kashmir is an integral part of India. On the same day Pakistan also charged that the Indians had failed to withdraw their forces from three small border salients--40 acres in all--which Rawalpindi asserted were controlled by Pakistan before the outbreak of hostilities.

New Delhi, for its part, has accused Pakistan of stepping up its propaganda campaign in

direct violation of the Tashkent accords. In a recent parliamentary statement Indian External Affairs Minister Singh warned that India would find it difficult to maintain its restraint in the face of Pakistani provocations. Indian propaganda broadcasts, quiescent since the Tashkent meeting, have themselves become more strident following Chinese Communist chief of state Liu Shao-chi's state visit to West Pakistan last week. A new round of recriminations may be touched off by New Delhi's formal protest that Pakistan is aiding rebellious tribesmen in India's Mizo Hills District--a suspicion the Indians had previously refrained from expressing publicly.

Both India and Pakistan still profess an interest in keeping the "spirit of Tashkent" alive, and neither has resumed the vitriolic blasts of the pre-Tashkent era. Nevertheless, neither side is optimistic about the prospects of easing tensions. The date of the next round of ministerial talks has not yet been set despite earlier rumors that it would take place sometime in April.

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## POSSIBLE NEW UN MOVES AGAINST RHODESIA

Britain, which called a session of the UN Security Council for 7 April to discuss the oil embargo, has apparently decided that stronger measures are needed now to prevent oil from reaching Rhodesia. A Foreign Office official told a US Embassy officer that if a tanker now at the port of Beira in Portuguese Mozambique unloads its oil cargo, the British may try to get a Security Council resolution aimed specifically at preventing Portugal from allowing oil to be pumped through the pipeline from Beira to the Umtali refinery in Rhodesia (see map on next page). The pipeline, operated by a Portuguese-dominated firm, has not been used since the voluntary sanctions program began taking effect last December.

The UK ambassador in Pretoria believes that a tough resolution singling out Portugal will also help encourage South Africa to quietly withdraw its own support from Rhodesia. The US Embassy in London also reports a growing feeling there that the UK should "stretch legalities" and act more decisively if another tanker attempts to reach Beira. The British halted the first tanker off Beira, but finally let it proceed to the port.

The UN General Assembly's Special Committee on Colonialism (the "Committee of 24") has passed a resolution calling on the Security Council immediately to reopen

debate on Rhodesia, which African members of the committee hope will lead to mandatory sanctions. Eight Western and Latin America representatives on the committee, including the US and UK, expressed reservations about the resolution. The expansion of the Security Council's membership earlier this year to include more representatives from Afro-Asian countries will make it more difficult to block Security Council action without a veto by one of the council's permanent members.

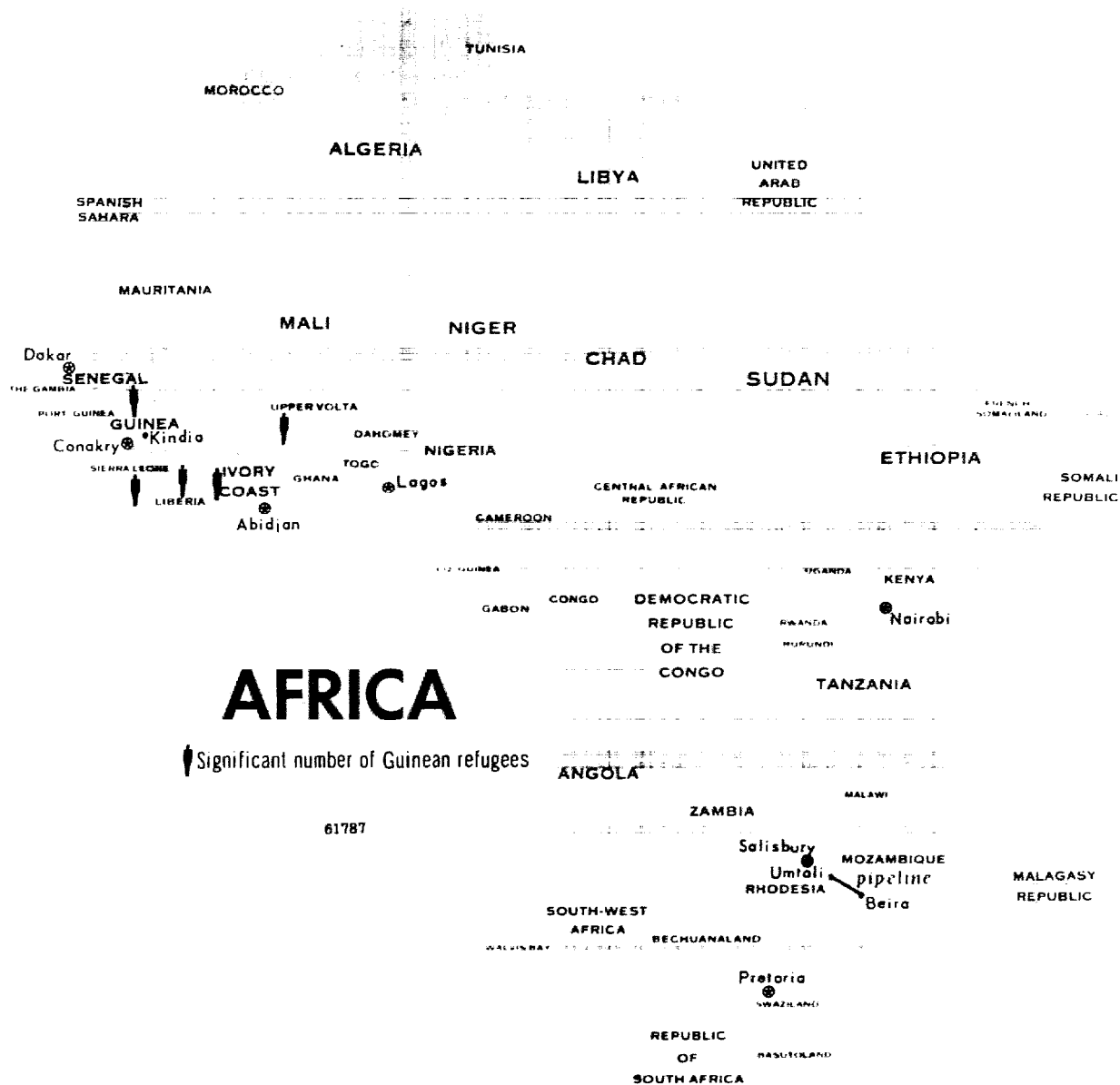
Meanwhile, the Verwoerd government in South Africa is reportedly reviewing its Rhodesian policy, a development which may be more important to the Smith regime in Salisbury than access to oil from Beira.

Verwoerd's government still hopes that some intermediary--perhaps the US--will bring Wilson and Smith together for a compromise solution.

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## GUINEA REGIME UNDER MOUNTING PRESSURE

Pressures are building up against Sekou Touré's radical regime in Guinea. They are being directly stimulated by conservative President Houphouet-Boigny of Ivory Coast [REDACTED]

Houphouet's campaign over the past year to check radical and Communist influences in Africa has led to increasingly bitter polemics with Touré, his erstwhile protégé. With the overthrow in February of Ghanaian President Nkrumah, Touré's uniquely extreme reaction to his ouster, and continuing signs of unrest within economically depressed Guinea, Houphouet evidently became convinced that Guinea, too, was fast ripening for a change. To hasten such a development, the Ivorian leader appears since last month to have embarked on a broad effort, emphasizing psychological action, aimed at toppling Touré. [REDACTED]

His temporizing over Liberian President Tubman's current attempts to arrange an early meeting between the two antagonists indicates that, for the present, Houphouet will not be diverted.

Houphouet now is encouraging the thousands of Guinean refugees who have moved into Ivory Coast in recent years to engage in political activity. On 27 March these exiles were allowed to stage a large anti-

Touré rally in Abidjan. Houphouet has indicated that Guineans in France can also be expected soon to initiate a "political-psychological" campaign against Touré.

At a second gathering, on 3 April, Guinean dissidents in Ivory Coast formally inaugurated a "revolutionary bureau" publicly described as the Abidjan section of a "National Liberation Front of Guinea." Efforts are evidently under way to establish chapters in France and in all African countries where there are Guinean refugees. [REDACTED]

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**SECRET****EAST AND CENTRAL AFRICAN LEADERS CONFER**

Leaders of 11 east and central African countries meeting in Nairobi last week made progress toward eliminating tensions among themselves and achieved a considerable measure of rapport.

All states from Sudan to Zambia, including Congo (Leopoldville), were represented either by chiefs of state or government or by some other high official. In view of past and continuing feuds between some states, informal consultation between such men as the Congo's Mobutu and Tanzania's Nyerere or between Ethiopia's Haile Selassie and the Somali Republic's Abdirazak would have been virtually impossible in any but this multilateral forum. Mobutu had never before attended an African conference as head of state.

The leaders dusted off the doctrine of noninterference in the domestic affairs of other African states. Growing violations of this doctrine had provided the main stimulus for the meeting. The 11 agreed that refugees should not be given press facilities, military training, or other aid which could be used against the governments of their own countries. Nyerere appears to have been the target of complaints from several countries on this score. He promised to circumscribe the activities of Malawi exiles in Tanzania, and he had already stopped supporting Congolese rebels.

During the conference Kenya's hosting President Kenyatta gained some credit by expelling two Congolese rebel leaders and rounding up several dissidents from southern Sudan. Mobutu's talks with Nyerere, Burundi's Biha, Uganda's Obote, and Sudan's Magoub concerning the Congolese insurgents reportedly were encouraging to him--presumably on the grounds of preventing any resumption of supplies. On his way home Mobutu visited Uganda and Burundi where he agreed to open embassies.

On Rhodesia, the conferees proposed no further action themselves. Instead, they passed a resolution calling on Britain to take action against the Smith regime more decisive than the present economic sanctions. They proposed that the UN act under Chapter Seven of its charter to impose mandatory economic and military sanctions as the answer to South African and Portuguese aid to Rhodesia.

The African leaders evidently made no plans to meet again or to institutionalize themselves in what would have been construed as a factional threat to the enfeebled Organization of African Unity. Indeed, they were careful in their comments to underline their continued support for the all-Africa organization and for a continent-wide approach to African problems.

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**SECRET**Western Hemisphere**BOSCH DOMINATES DOMINICAN POLITICAL DEVELOPMENTS**

Juan Bosch has dominated recent political developments in the Dominican Republic. His Dominican Revolutionary Party (PRD) plans to commemorate the anniversary of the 24 April Revolution through a series of celebrations --a move designed to undercut other aspiring "constitutionalist" leaders.

In a 3 April radio address Bosch praised former rebel leader Caamano and noted that his vice-presidential candidacy on the PRD slate would be advantageous. In the past Bosch has considered Caamano a rival for leadership of the left but he may now feel that a Bosch-Caamano ticket is the strongest the PRD could put up for the June elections.

In a 4 April conversation with a US official, Bosch suggested that Caamano might even head the PRD ticket. The purpose of this ploy--which Bosch made in private while in a depressed mood--is not clear. The PRD leader may be attempting to shock US officials into concluding that his candidacy would be a more satisfactory alternative than Caamano's. On the other hand, the statement may reflect Bosch's real thinking, since he has given indications he has little stomach for the demands of the presidency, particularly under the ever present threat of military overthrow. In any event, Bosch's electoral intentions should be made clearer this weekend when the PRD holds its nominating convention.

Bosch has also attracted public attention by delivering daily radio orations attacking accusations linking him with Communism. During the 1962 campaign Bosch effectively exploited similar charges and appears again to have found an audience. Rival political broadcasters have commented that Bosch's programs have outdrawn their own.

Bosch's rival, Joaquin Balaquer, has been continuing his campaign, concentrating on the rural areas where his Reformist Party (PR) appears to have considerable support. A developing contest over the PR vice-presidential nomination may enliven what promises to be a routine party convention slated for 16 April. 25X1

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## ECUADOR UNDER PROVISIONAL PRESIDENT YEROVI

Ecuador's provisional President Yerovi in his first week in office has proved to be a weak executive, inclined to permissiveness toward pressure groups, who sees himself primarily as a caretaker until a constituent assembly is convened.

The cabinet consists mostly of little-known older men divided fairly evenly between residents of the coast and the sierra. Some are considered able and honest, but they are a colorless group whose capabilities are unproven. Business and finance predominate in their backgrounds, although the education minister is a leftist intellectual chosen to placate rebellious students.

Yerovi apparently contemplates a constituent assembly, to convene sometime in the autumn, and intends to name a special committee to draft regulations for its election. The junta's constitutional reform decrees have been nullified, and specific plans for transition to constitutional rule will be left to the assembly.

The country team believes that Yerovi's "inexperience and irresolution" are blunting the government's capacity to assure internal security. Although attempts by extremists to take over

towns and provinces failed--and student agitation has ended, extremist groups remain a potential danger, since Yerovi seems to attach little significance to their activities. Exiles have been allowed to return, and subversives freed from prison reportedly hope to get into action soon.

Yerovi has removed the commander of the national police, and that organization is receiving insufficient financial support from the government.

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After naming as minister of defense a little-known lawyer, Yerovi dismissed both the army commander and the chief of the armed forces General Staff when they called to protest the release of subversives and capitulation to the demands of groups with complaints against the former regime. Many ranking officers have been retired, left without assignments, or shuffled from key posts. Concern has grown within the army over government security policies and, although reluctant to resume power, it may take action against Yerovi if

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the security structure is further debilitated.

Two prominent Guayaquil politicians, in a discussion with the US ambassador, confirmed that vested interests will be no more tolerant of imperative economic reforms if applied by Yerovi than they were of those decreed by the junta. Mentioning that

Yerovi at best has a "temporary and somewhat precarious mandate," they claimed that new taxes would be suicidal. Predictably, they contemplated US financial assistance--rather than a responsible attitude among men like themselves --as the immediate solution. Yerovi probably will seek some type of emergency US loan. [REDACTED]

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#### BOLIVIA'S BARRIENTOS FIRING UP PRESIDENTIAL BID

General Rene Barrientos has taken a further step toward making official his candidacy for the presidency in the 3 July national elections. On 5 April, at the urging of close military associates, he resigned as co-commander of the armed forces and asked for an indefinite release from active duty. Last week Barrientos secured armed forces support for his candidacy and agreed to resign. He had hedged on the latter point, however, in an at-

tempt to hold on to his last position of power as long as possible. Bolivian electoral statutes prohibit persons holding government positions from running for elective office, and Barrientos' resignation was a necessary step toward announcing his candidacy. [REDACTED]

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[REDACTED] he must at the latest declare by 3 May. So far Barrientos is the only presidential candidate. [REDACTED]

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**SECRET****ARGENTINE GOVERNMENT WITHSTANDING COUP RUMORS AND STRIKES**

Despite a wave of coup rumors in Argentina attendant on a series of transportation strikes and dissatisfaction over continuing inflation, the government of President Arturo Illia does not appear to be in danger of falling soon. Government efforts to end the strikes and deal with pressing economic problems, in combination with a strong statement by military leaders that they have no intention of intervening against the Illia administration, may serve to settle the unrest that has agitated Buenos Aires since the end of the summer vacation period in February.

The government put a stop to a bus strike in the capital by seizing buses and threatening to turn them over to government operators. A personal appeal by Illia caused postponement of one railroad strike, although another was subsequently held. Air force personnel have been operating the national airline and air force guards have been used to maintain order at Buenos Aires Airport. The government has also taken steps to end the sugar strike in Tucuman, which has dragged on since late in 1965.

The military leaders made their statement in a War Office communiqué of 1 April. The declaration reinforced the stand of the military "legalist" leadership that, while it has not renounced its role as guardian of the constitution, it would prefer that the civilians find their own answers to the nation's problems. The statement was a rebuff to politicians and some retired military officers who see a coup as an easy way to gain power for themselves.

The provincial election in Mendoza on 17 April, which will probably result in victory for Illia's People's Radical Party (UCRP), may be another factor in strengthening the government's position. The Peronists, who have been badly split by internal squabbling, have been unable to unite in a common front against the UCRP. A defeat for the Peronists in Mendoza could lead to a further weakening of the movement. The possibility of a Peronist victory in the national elections in 1967 has been considered one of the major causes of the coup rumors, and a continued weakening of Peronism would favor the government.

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